



**FEDERAL ELECTION COMMISSION**  
Washington, DC 20463

**VIA ELECTRONIC AND FIRST CLASS MAIL**

**David E. Frulla, Esq.**  
**Kelley Drye & Warren LLP**  
**Washington Harbour, Suite 400**  
**3050 K Street, NW**  
**Washington, DC 20007**  
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SEP 11 2017

RE: MUR 7247

Dear Mr. Frulla:

On August 31, 2017, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your clients' behalf in settlement of violations of 52 U.S.C. § 30122, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter. Please be advised that the civil penalty in this agreement reflects unusual factors brought forth during the course of this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Tony Buckley

**Tony Buckley**  
**Attorney**

**Enclosure**  
**· Conciliation Agreement**

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of

Bell Nursery USA, LLC

Gary L. Mangum

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) MUR 7247  
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**CONCILIATION AGREEMENT**

This matter was initiated by a *sua sponte* submission made to the Federal Election Commission ("the Commission") by Respondents Bell Nursery USA, LLC and Gary L. Mangum.

The Commission found reason to believe that Bell Nursery USA, LLC violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(i) by making contributions in the name of Gary L. Mangum; and that Gary L. Mangum violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(ii), (iii) by allowing Bell Nursery to make contributions in his name.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Bell Nursery USA, LLC is a limited liability company that is a wholly owned subsidiary of Bell Nursery Holdings, LLC. Bell Nursery USA, LLC is treated as a disregarded entity of Bell Nursery Holdings, LLC for tax purposes.

2. Gary L. Mangum is President, Chief Executive Officer, and a part owner, of Bell Nursery USA, LLC.

3. During the 2016 election cycle, Gary L. Mangum made certain contributions in connection with elections for federal office using his personal credit card.

4. In the course of seeking reimbursement for business-related expenses charged on Gary L. Mangum's personal credit card, \$17,587 in federal contributions were also flagged as business expenses and subsequently reimbursed to him by Bell Nursery, USA LLC. As a result of these reimbursements, Bell Nursery, USA LLC made contributions in the name of Gary L. Mangum totaling \$17,587.

5. In the spring of 2016, Bell Nursery, USA, LLC and Gary L. Mangum hired a law firm to assess their compliance with Maryland and federal campaign finance law contribution limits. As a result of this review, Bell Nursery, USA, LLC and Gary L. Mangum instituted procedures to prevent any future reimbursement of federal political contributions. Respondents also notified each recipient committee of the correct attribution for the contributions, and made the referenced *sua sponte* submission to the Commission.

6. Respondents contend that marking the contributions as business expenses was a mistake and that the making of contributions by Bell Nursery, USA, LLC in the name of Gary L. Mangum was inadvertent.

V. The pertinent legal principles in this matter are as follows:

1. The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that "no person shall make a contribution in the name of another person." 52 U.S.C. § 30122. That prohibition extends to knowingly permitting one's name to be used to effect the making of a contribution in the name of another. 52 U.S.C. § 30122; 11 C.F.R. § 110.4(b)(1)(ii).

VI. Respondents admit to the following violations of the Act:

1. Bell Nursery USA, LLC violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(i).
2. Gary L. Mangum violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(ii), (iii).

VII. Respondents will take the following actions:

1. Respondents will cease and desist from violating 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)(1)(i)-(iii).
2. Respondents will pay a civil penalty of \$6,700 pursuant to 52 U.S.C. § 30109(a)(5)(A).

VIII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

9-7-17  
Date

BY: Kathleen M. Guith  
Kathleen M. Guith  
Acting Associate General Counsel  
for Enforcement

FOR THE RESPONDENTS:

7/5/17  
Date

BY: David E. Frulla  
David E. Frulla, Esq.  
Counsel for Bell Nursery USA, LLC and  
Gary L. Mangum